



What is a Flexible Spending Account (FSA)?

An FSA is an account you set up to pre-fund your anticipated, eligible medical services and supplies and dependent care expenses that are normally not covered by your insurance. You can choose from Unreimbursed Medical Expense FSA, Dependent Care FSA, or have one of each.

With either FSA, you benefit from having less **taxable** income in each of your paychecks, which means more **spendable** income to use toward your eligible medical and dependent care expenses.

What is a Unreimbursed Medical FSA?

A Unreimbursed Medical FSA is used to pay for eligible medical expenses which aren't covered by your insurance or other plan. These expenses can be incurred by yourself, your spouse, a qualifying child or relative. Your full annual contribution amount is available at the beginning of the plan year, so you don't have to wait for the money to accumulate.

What is a Dependent Care FSA?

The Dependent Care FSA is a great way to pay for eligible dependent care expenses such as after school care, baby-sitting fees, day care services, nursery and preschool. Eligible dependents include your qualifying child, spouse and/or relative.

Using your FSA is easy.

When you elect a Unreimbursed Medical FSA, your account is funded with the full amount you've chosen at the beginning of the year. As soon as that happens, it's ready to use for eligible expenses. Throughout the year, you "pay your account back" with pre-tax contributions from your paycheck. Use these convenient payment options:

- ▶ **WageWorks® Health Care Card.** Use it instead of cash at health care providers and wherever accepted for health-related services and health expenses.
- ▶ **Pay My Provider.** Send payment directly to your health care provider.
- ▶ **Pay Me Back.** File a claim online, by fax or mail for reimbursement.
- ▶ **Mobile.** Use our mobile application to file a claim from your smartphone.

You can also choose a WageWorks Dependent Care FSA to help with the cost of care for eligible children or aging parents while you are at work. A dependent care FSA works a lot like a Unreimbursed Medical FSA, but your account is funded several times a year, so funds are available as contributions are taken from your paycheck.

Use the WageWorks® Health Care Card.

Use your WageWorks® Health Care Card (Card) instead of cash or credit at health care providers and pharmacies for eligible services, goods and prescriptions. You will only be able to use your Card for Over-the-Counter (OTC) drugs at the pharmacy counter, provided a valid prescription is presented at the time of purchase. You still will be able to use your Card for non-drug OTC items and devices, such as bandages and contact lens solution, as long as you shop at merchants that have an industry standard (IIAS) inventory system that can verify the eligibility of items at checkout. An updated list of IIAS merchants is maintained at www.sigis.com.

Always remember to save receipts when using the Card. The IRS requires you keep them for your tax records, and you will also need them if we request documentation for verification.

Register for an online account now!

Visit www.wageworks.com and click "Register with WageWorks now." You'll need to verify your employee status, confirm your contact information and create a username and password. You will have to register for Plan Year 2015 during Open Enrollment October 1 - October 31, 2014.



Sign up during open enrollment. October 1, 2014 – October 31, 2014

Estimate your savings.

How much you save depends on how much you spend on health and dependent care, and on your tax situation. For every \$100 of eligible expenses, most people will save from \$30 to \$40 in taxes. To estimate your expenses and see for yourself how your savings can add up, use the savings calculator at:

FSAWorks4Me.com

Unreimbursed Medical FSA Worksheet

ESTIMATED ELIGIBLE EXPENSES	EXAMPLE	YOUR ESTIMATE
Prescription drugs	\$225	
Doctor visits	\$80	
Annual dental plan deductible	\$50	
Dental fillings and crowns	\$185	
Orthodontia (braces)	\$1,800	
Prescription glasses	\$100	
Prescribed over-the-counter products ¹	\$60	
Suggested plan year election	= \$2,500	=
Taxes (40% ²)	x 0.40	x 0.40
Estimated savings²	= \$1,000	=

Dependent Care FSA Worksheet

ESTIMATED ELIGIBLE EXPENSES	EXAMPLE	YOUR ESTIMATE
Day care / nursery school	\$3,600	
Summer day care	\$1,400	
Suggested plan year election	= \$5,000	=
Taxes (40% ²)	x 0.40	x 0.40
Estimated savings²	= \$2,000	=

Annual Contribution Limits

For Medical Expense FSA:

Minimum Annual Deposit³: \$100

Maximum Annual Deposit³: \$2,500

For Dependent Care FSA:

Minimum Annual Deposit³: \$250

The maximum contribution depends on your tax filing status.

- ▶ If you are married and filing separately, your maximum annual deposit is \$2,500.
- ▶ If you are single and head of household or married and filing jointly, your maximum annual deposit is \$5,000.
- ▶ If either you or your spouse earn less than \$5,000 a year, your maximum annual deposit is equal to the lower of the two incomes.
- ▶ If your spouse is a full-time student or incapable of self-care, your maximum annual deposit is \$3,000 a year for one dependent and \$5,000 a year for two or more dependents.

Notes:

1 Requires a doctor's prescription.

2 Tax savings amounts are examples provided for illustrative purposes only. They are based on federal, state, and FICA (Social Security) taxes that you do not have to pay through payroll deductions on amounts used to fund your account. Your actual savings may vary depending on your marginal income tax rate, whether you pay state income taxes, and other factors. Some states do not recognize tax exclusions for FSA contributions.

Pay for hundreds of expenses – tax-free!

You can use your FSA to save on products and services for you and your eligible family members. Eligible expenses are defined by the IRS and your employer. Typically, a Medical Expense FSA covers:

- ▶ Ambulance
- ▶ Breast pumps
- ▶ Carpal tunnel wrist supports
- ▶ Chiropractic care, acupuncture
- ▶ Co-insurance amounts
- ▶ Contact lenses, materials and equipment
- ▶ Co-payments and deductibles
- ▶ Dental care, both preventive and restorative
- ▶ Diabetic supplies, insulin, blood test kits etc.
- ▶ Diagnostic items/services
- ▶ Eyeglasses, equipment and materials
- ▶ Eye surgery, including laser vision correction
- ▶ Flu shots, immunizations and vaccines
- ▶ Hearing aids
- ▶ Hospital services
- ▶ Laboratory fees
- ▶ Laser eye surgery; Lasik
- ▶ Medical monitoring and testing devices
- ▶ Orthodontia, child and adult
- ▶ Orthopedic shoe inserts
- ▶ Physical exams
- ▶ Physical therapy, counseling and psychology
- ▶ Prescriptions for almost any medical condition
- ▶ Prescribed Over-the-Counter¹ health care products like allergy medicine, antacid, antibiotics, aspirin...
- ▶ Preventative care screenings
- ▶ Psychiatric care
- ▶ Smoking-cessation programs
- ▶ Surgery
- ▶ Vision care
- ▶ Walkers, wheelchairs

Pay for dependents, too!

Your Dependent Care FSA covers these types of expenses for your eligible dependents while you work:

- ▶ Babysitting or au pair services
- ▶ Before- and after-school programs
- ▶ Child Care
- ▶ Day care and nursery schools
- ▶ Elder care services
- ▶ Pre-school programs
- ▶ Summer day camp
- ▶ Transportation (provided by the day care or elder care provider)

Check the IRS website for a comprehensive list of Flexible Spending Account eligible expenses.

Questions?

Helpful tips, guides, video tutorials and FAQs are available online at www.wageworks.com. WageWorks Customer Service professionals also are standing by to help you. Just call 1-855-428-0446, Monday – Friday, 8 am – 8 pm ET.

Over-the-Counter Drugs and Medicines

Purchasing and Getting Reimbursed for OTC Items Using Your WageWorks Account

You may use your WageWorks® Flexible Spending Account (FSA), Health Savings Account (HSA), Health Reimbursement Arrangement (HRA) to pay for over-the-counter (OTC) drugs and medicines if you get a prescription for the OTC items from your healthcare provider first.

Here's what you need to do:

When you visit your healthcare provider, simply ask him or her to write you a prescription for the OTC item you use to treat your medical condition. The prescription must comply with state prescription laws, but generally, if the prescription is written on a prescription pad, it should be sufficient.

Paying out of pocket for OTC items.

Submit a Pay Me Back claim form along with your expense documentation to receive payment. Be sure to save your receipts to submit documentation so your payment will be made. Remember to submit both the receipt and a copy of the prescription.



Using Your WageWorks Healthcare Card to Make OTC Purchases

You may purchase an OTC item using your WageWorks Healthcare Card if a valid prescription for the OTC item is presented at the time of purchase, and the purchase is made at a pharmacy counter and dispensed as a prescription item.

To use your card at an IAS pharmacy, you need to present the prescription along with the OTC item to a pharmacist. The pharmacist then dispenses and processes the purchase of the OTC item in accordance with applicable law. The purchase is then classified as a prescription, and no further action is required.

If a purchase is made at a non-IAS pharmacy, you need to submit either the receipt listing an Rx number or the prescription along with a receipt detailing the purchase for verification and to avoid having your WageWorks Healthcare Card suspended.



OTC Item Reimbursement Eligibility

As a general rule, any OTC drug or medicine that you take orally or topically requires a prescription to be eligible for reimbursement under your WageWorks FSA, HSA, or HRA. Also as a general rule, medical devices (such as monitors), supplies (such as bandages and contact lens solution), and insulin and diabetic supplies do not require a prescription to be eligible for reimbursement.

Summary of Common Items that Can and Cannot be Reimbursed Without a Doctor's Prescription

Can Be Reimbursed Without a Prescription	Cannot Be Reimbursed Without a Prescription
Bandages and related items (over-the-counter)	Acne treatments
Birth control (over-the-counter)	Allergy & sinus medicine and products
Blood pressure monitors	Antacids
Cholesterol test kits and supplies	Antibiotic ointment
Condoms	Aspirin or other pain relievers
Contact lenses, cleaning solutions, etc.	Asthma medicines or treatments
Crutches, canes, walkers or like equipment (purchase or rental)	Canker & cold sore treatments
Dentures, bridges, etc.	Chest rubs
Diabetic monitors, test kits, strips and supplies	Cold & flu medicines
Eye related equipment/materials	Corn and callus removers
Eyeglasses (over-the-counter)	Cough drops & sore throat lozenges
Fertility monitors (over-the-counter)	Cough syrup
First aid kits (over-the-counter)	Diaper rash ointments and creams
Hearing aids and batteries	Ear drops & wax removal
Incontinence supplies	Gastrointestinal medications
Insulin, testing materials and supplies	Herbal or homeopathic medicines
Magnetic therapy (over-the-counter)	Laxatives
Medical equipment (for treatment of medical condition) & repairs	Lice treatments
Medical supplies (for treatment of a medical condition)	Motion & nausea medicines
Monitors & test kits (over-the-counter)	Over-the-counter products for dental, oral and teething pain
Occlusal guards to prevent teeth grinding	Pain relievers
Orthotics	Propecia (for treatment of a medical condition)
Orthopedic and surgical supports	Retin-A (for non-cosmetic purposes)
Ovulation monitor (over-the-counter)	Sleep aids
Pregnancy tests (over-the-counter)	Sunblock (SPF30 and above)
Reading glasses (over the counter)	Toothache and teething pain relievers
Urological products	Wart removal treatments
Wheelchair and repairs	
Wound care (over-the-counter)	